

will take up to 3,500 million cubic metres of natural gas from 1990 (MEED 2:4:88). On 2 May, Sadok Bousena, secretary-general to the Energy, Chemicals & Petrochemicals Ministry, began a visit to Prague to discuss details of sales.

#### IN BRIEF

● Yugoslavia's **Natron Maglaj** says it will export \$17 million worth of paper and other products in 1988, 40 per cent of them to Algeria. Most of Natron's sales are within the framework of an agreement signed by its parent company, **Unicep Incel Industrija Celuloze Papira & Valakana**, and local packaging firm **Enapak**.

● France's **Laboratoire Roger Bellon**, a subsidiary of **Rhone-Poulenc**, reports a 7 per cent fall in international sales last year, mainly because of problems in Algeria. Results were otherwise good, with turnover at FF 919.5 million (\$162.9 million) and after-tax profits at FF 70.4 million (\$12.5 million).

● The EEC is to provide a further ECU 130,000 (\$162,460) in aid for the locust eradication campaign. The funds will finance crop spraying by two aircraft. It brings to ECU 2.7 million (\$3.4 million) the amount now provided by the EEC for the campaign. In addition, individual member states have given money (MEED 6:5:88; 9:4:88).

● **Banque Exterieur d'Algerie (BEA)** has joined the international Visa card network. Cards will be issued to clients with hard currency accounts. It is also hoped hotels and restaurants will join the Visa network. According to reports, BEA now has around 100,000 foreign exchange accounts.

● **Entreprise Nationale d'Approvisionnement en Produits Pharmaceutiques (Enapharm)** and **Pharmacie Centrale de Tunisie** have issued an international tender, no 1 AOI/CMAC/SP/1989, to supply pharmaceuticals. Bids are co-ordinated by the local/Tunisian **Comite Mixte d'Achat en Commun (CMAC)**. Tender documents are available from PCT in Tunis and the CMAC Secretariat, based at Enapharm's Algiers headquarters; offers must be in by 15 June.

● Flights by national carrier **Air Algerie** resumed on 9 May after two days of industrial action by pilots brought Algiers airport to a standstill. Details of the deal ending the action have not been announced, but the airline's management is understood to have agreed to changes in working conditions, including increased pay and better hours. In 1985, pilots went on strike following the death of a co-pilot, complaining they were not properly insured. More recently, industrial action was reported at Houari Boumediene airport.

● Senior officials have been travelling throughout the Arab world to promote the Arab League summit, to be held in Algiers on 7 June (see Regional Focus). Foreign Affairs Minister Ahmed Taleb Ibrahim arrived in Jordan on 9 May for talks with King Hussain. He was to go on to Saudi Arabia, Kuwait, Iraq and Syria. President Chadli called the summit to rally support for the Palestinian uprising. It is unclear whether all Arab League members will attend. It is reported that Gulf states have called for Egypt to be present — a demand Algiers cannot accept. Reports that Algiers is to restore diplomatic relations with Cairo have not been confirmed in Algiers. Meanwhile, two other leaders, head of the party permanent secretariat

Mohamed Cherif Messaadia and secretary-general to the presidency Larbi Belkheir, have visited Mauritania and Morocco. In Rabat, they delivered a message from Chadli inviting King Hassan to the summit.

● US deputy secretary of state John Whitehead arrived in Algiers on 10 May for talks on the Gulf war, the Palestinian uprising and developments in the Maghreb. In talks with Foreign Affairs Ministry secretary-general Smail Hamdani, the Western Sahara was discussed. It was the first visit to the Maghreb by a senior US envoy since tension with Washington rose because of the Kuwaiti hijack. Whitehead told reporters he hoped to discover the whereabouts of the hijackers and ask Algiers to bring them to justice. "We will set forth our views strongly," he said (MEED 6:5:88). He was also expected to discuss these issues in Tunisia and Morocco during a six-day tour of the region. Recent statements have sought to defuse tension between Algiers and Washington. The latter has asked for Algeria's good offices to engineer the release of hostages held in Lebanon. Whitehead was also to visit gas installations at Arzew, underlining US hopes of increasing trade.

## BAHRAIN

### Grindlays profits up

**Grindlays Bahrain Bank** had net income after provisions of BD 278,000 (\$738,000) in 1987, more than double the previous year. Loan loss provisions were increased by 20 per cent to BD 120,000 (\$325,000).

**Grindlays Bahrain Bank: results, 1986-87**  
(BD million)

	1987	1986	% change
Total assets	40.8	38.1	+7.1
Loans	20.9	18.9	+10.6
Shareholders' equity	3.9	3.7	+5.4
Contra accounts	22.1	19.4	+13.9
Income before provisions	0.4	0.23	+73.9
Loan loss provisions	0.12	0.1	+20.0
Net income	0.28	0.13	+115.4

Exchange rate: \$1 = BD 0.3769 (May 1988)

Source: Grindlays Bahrain Bank, Manama

The improved performance came amid depressed business conditions. The bank, a joint venture between Grindlays Bank (40 per cent) and Bahraini investors, managed to increase lending and show a significant growth in customer deposits. Loans rose by 10.6 per cent to BD 20.9 million (\$55.4 million) and deposits by 30.8 per cent to BD 31.4 million (\$83.3 million).

Total assets rose by 7.1 per cent to reach BD 40.8 million (\$108.2 million).

#### IN BRIEF

● **The Arab Shipbuilding & Repairyard Company (ASRY)** more than doubled its ship repair turnover in 1987 to \$23 million, recording a small profit for the first time since its establishment 10 years ago. The dry dock occupancy averaged 88 per cent. Twenty per cent of the 46 ships repaired at the yard in the year had been attacked in or around the Gulf by Iran or Iraq.

● Laws covering the sponsorship of foreign companies are being finalised by the Commerce Ministry and the chamber of commerce. They specify that Bahraini companies will only be able to sponsor similar businesses. The Bahraini sponsor will also be responsible for obligations and liabilities of the sponsored company that originate from its Bahrain activities. Agreements specifying the relations between sponsors and foreign companies will be subject to local law.

## EGYPT

### US/local team in line for water scheme

A team of three US consultants and the local **Sabbour Associates** has been chosen for a construction management contract for a scheme to build water and wastewater facilities in Suez, Ismailia and Port Said (MEED 29:4:88).

The consortium — **Black & Veatch, James M Montgomery Consulting Engineers and Dames & Moore**, all of the US, with Cairo-based Sabbour — has received a telexed letter of intent for the estimated \$10 million-20 million job. Contract negotiations are to be held soon with the client — the National Organisation for Potable Water & Sanitary Drainage (NOPWASD) — and the funding body, the US Agency for International Development (USAID).

Four US/local groups were shortlisted for the contract, which includes engineering, site selection and preparation of tender documents.

The scheme is part of the second phase of the canal cities water and wastewater project. USAID has allocated \$380 million to this phase. Work will include building wastewater treatment plants and expanding Port Said's water supply system.

### Further episodes in Al-Rayan/Al-Saad saga

Cairo business people say they are still mystified about the on-off merger between two of the largest Islamic investment companies, **Al-Rayan** and **Al-Saad**. Following government allegations that the original merger, announced in early May, was illegal, the companies now say they are in the process of jointly setting up a third company and there is no question of a

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